United Nations A/57/372/Corr.1

General Assembly

Distr.: General
21 March 2003

Arabic, Chinese, English,
Russian and Spanish only

Fifty-seventh session
Agenda item 119
Joint Inspection Unit

Report of the Joint Inspection Unit on the results approach in the United Nations: implementing the United Nations Millennium Declaration

Note by the Secretary-General

Corrigendum

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The title of part two, section E, *should read*

Absence of a coherent common strategic framework and coordination of actors: integrating social concerns into the macroeconomic policy framework — a role for the United Nations

03-29040 (E) 020403

United Nations A/57/372/Add.1

General Assembly

Distr.: General
4 February 2003

Original: English

Fifty-seventh session
Agenda items 112 and 119

Programme budget for the biennium 2002-2003

Joint Inspection Unit

Report of the Joint Inspection Unit on the results approach in the United Nations: implementing the United Nations Millennium Declaration*

Note by the Secretary-General

The Secretary-General has the honour to transmit for the consideration of the General Assembly his comments, and those of the United Nations System Chief Executives Board for Coordination, on the report of the Joint Inspection Unit entitled "The results approach in the United Nations: implementing the United Nations Millennium Declaration" (JIU/REP/2002/2).

* The present note was submitted late to conference services because comments had to be collected from all members of the United Nations System Chief Executives Board for Coordination.

03-23651 (E) 240203

Summary

The present report contains the comments of the Secretary-General and of the members of the United Nations System Chief Executives Board for Coordination (CEB) on the Joint Inspection Unit (JIU) report entitled "The results approach in the United Nations: implementing the United Nations Millennium Declaration". The comments relate to the two parts of the report: part one, on the results-based budgeting and planning procedures practised in the United Nations, and part two, proposing the creation of new instruments and processes to enable the United Nations system to adopt more effective results-based approaches and to provide the Member States with more effective monitoring of progress towards the objectives of the Millennium Declaration.

The Inspector raises a number of important questions relating to the efficacy of the present results-based planning and programming instruments. She also highlights, in the second part of the JIU report, the burden that the various existing frameworks for country-level assessment (Poverty Reduction Strategy Papers, Common Country Assessments, the United Nations Development Assistance Framework, etc.) place on national Governments in terms of multiple reporting requirements; questions whether the present mechanisms for collaboration among the organizations of the United Nations system at the country level produce results that can be effectively reviewed and evaluated by Member States; points out the difficulties that present mechanisms entail in integrating system-wide actions towards the attainment of the objectives of the Millennium Declaration; and puts forward a proposal for a single "common country review report" for the entire United Nations system.

The JIU report is a timely reminder of the need to keep under review the results approach applied in the United Nations system and will no doubt engender further system-wide discussion on the diverse issues addressed. While appreciating the objectives underlying the report, on the whole CEB members find the study too wide-ranging, particularly in relation to part two and the linkages it endeavours to establish between the two parts, to permit a judicious overall assessment that can lead to concrete follow-up action on the totality of the report. It is proposed, therefore, that in the first instance, the two parts of the report be taken up seriatim at the intergovernmental level.

I. Introduction

1. The report of the Joint Inspection Unit entitled "The results approach in the United Nations: implementing the United Nations Millennium Declaration" consists of two parts. Part one reviews the efforts under way in the United Nations system to apply the results approach in planning, programming and budgeting in the context of the United Nations reform process initiated by the Secretary-General in 1997. It contains extensive analysis of the concept of results presently used in the 2002-2003 programme budget and in the 2002-2005 medium-term plan by the United Nations, and puts forward a number of observations concerning the operational definition of results in the framework of the Millennium Declaration. Part two examines the relevance and implications of the results concept for charting progress in the achievement of the Millennium development goals. In this context, it reviews (a) the various processes presently used for the coordination of policy, plans and implementation actions at the country level by the organizations of the United Nations system concerned; (b) the preparation of various monitoring and evaluation reports at the country level by various actors; and (c) the preparation of multiple reports at the global level synthesizing relevant country-level issues and corresponding policy prescriptions and planned actions. On that basis, it puts forward recommendations for new, consolidated instruments for tracking results and progress at both the country and global levels.

II. General comments

2. The report presents a rich analysis based on the Inspector's understanding of the United Nations system, intergovernmental bodies, and country-level project delivery. The report encourages a collaborative process between the organizations of the United Nations system and other stakeholders and makes proposals to improve arrangements for undertaking assessments at the national and global levels in terms of progress achieved in the economic and social fields. Members of the United Nations System Chief Executives Board for Coordination (CEB) take note of the extensive information and analysis contained in the report. While appreciating the information and analysis it contains, they find it too wide-ranging, particularly in relation to part two and the linkages it endeavours to establish between the two parts, to permit a judicious overall assessment that can lead to concrete follow-up action on the totality of the report. They propose, therefore, that, in the first instance, the two parts of the report be taken up seriatim at the intergovernmental level.

3. The issue of the propriety of the study assessing policies and instruments of the World Bank and the International Monetary Fund falling within the competence of their governing bodies and evaluation processes has also been raised.

4. Subject to the reservation mentioned above, CEB members generally welcome the analyses and main findings of part one of the report, dealing with the concept of results and the present use of results-based planning and budgeting techniques, notably in the preparation of the United Nations programme budget for 2002-2003 and the medium-term plan for 2002-2005. The results-based approach has introduced a number of positive elements in the work of the United Nations. These include, among others, helping programme managers focus on the achievement of basic objectives, determining the best outputs for achieving intended results, facilitating mid-course correction, optimizing use of resources and facilitating efficient programme design.

5. CEB members note that results-based budgeting is a relatively new approach that requires a few budget cycles to settle into place and a new understanding of output performance within the framework of this approach. They concur with the report's finding that there is a need for further refining the methodology, for greater precision and clarity of the concept involved, especially in the context of the objectives of the Millennium Declaration, and for applying lessons learned as the process continues to evolve. They also agree on the need for improvements in the techniques of results-based planning and budgeting in order to foster greater integration of system-wide policies and programmes and to provide Member States with more relevant measurements of performance. While many of the issues raised by the Inspector concerning programme results, programme budgeting, the need for baseline data, attribution of results, etc., are already under active review in organizations of the United Nations system concerned, CEB members find part one of the report to be a useful supplement to this ongoing work. The structural and administrative changes suggested in the report through the introduction of a medium-term strategic review report and a common country review report could more appropriately be considered in the future, when sufficient experience in the results-based approach has been gained.

6. As regards part two of the report, CEB members appreciate the findings concerning the difficulties faced by developing countries on account of the proliferation of country assessment frameworks, the implication of the multiplicity of these frameworks for an effective integration of system-wide actions and the mapping out of a clear collective path to the achievement of the Millennium development goals. They note, however, that because of the breadth and complexity of the issues covered, this part of the study lacks sufficient focus, which affects its value as a basis for initiating a conclusive intergovernmental discussion on the issues raised and for considering practical follow-up measures. This is particularly the case for the main recommendation in this part of the report, concerning a single, system-wide reporting framework, for whose rationale and merits vis-à-vis existing arrangements there is insufficient supportive analysis.

7. There is also lack of clarity in this part of the report regarding which of the issues raised are, in the Inspector's view, to be pursued by the secretariats of the organizations of the United Nations system, which by their intergovernmental processes and which by national Governments. It is the view of CEB members that most of the themes dealt with in this part of the report, and the corresponding recommendations, involve national government policy and should thus be addressed to the legislative organs rather than to the secretariats of United Nations system organizations.

III. Comments on recommendations

Part one of the report of the Joint Inspection Unit

Recommendations 1 and 2

1. The concept of "results" should be clarified. A distinction should be made between results of the programme activities of the United Nations proper, i.e., accomplishments used in the programme budget context, and the results at the

country and the world level used in the context of major United Nations conferences and the Millennium Declaration.

2. Application of results-based budgeting techniques in the United Nations ought to be kept under review with a view to adapting them to the very specific nature of the United Nations and the Member States' need to observe change. The concept of accomplishments will have to be more clearly and accurately defined by and with programme managers, as they will ultimately be held accountable for programme performance. An enabling environment has to be created, including dynamic and flexible human resources management, adequate information systems, training facilities for staff, confidence-building not only within the Secretariat but also between the Secretariat and Member States, and more flexibility for programme managers in exchange for accountability. Regarding administrative and other support activities, more precision is needed (see para. 77 of the report).

8. Both recommendations are generally accepted. CEB members especially acknowledge the usefulness of the analysis of the effectiveness, strengths and weaknesses of results-based budgeting and planning in the United Nations. They note, however, that the terms "results" and "expected accomplishments" are not interchangeable, as is suggested in the report, and further work is needed to clarify this issue. They note that the concept of results encompasses objective, expected accomplishment, indicator of achievements, external factors and output, criteria that are invariably used by all organizations of the system in one way or another. They note, therefore, that the report would have been more helpful if it had taken more fully into account relevant experience in organizations other than the United Nations and its funds and programmes in applying results-based techniques and adapting such techniques to specific requirements. This is an area where the sharing of knowledge on best practices is particularly useful, in itself and in order to further system-wide coherence.

9. CEB members also concur with the finding of the report that the creation of an "enabling environment", particularly through the provision of training for staff and measures to engage the attention of programme managers, is indispensable for the success of the results-based approach. However, they call for further clarification of the concept of "flexibility for programme managers in exchange for accountability", as set out by the Inspector in recommendation 2. They agree that the proposed indicators of achievement should be kept under review for further refinement in the light of experience.

Part two of the report of the Joint Inspection Unit

Recommendations 3 to 8

3. For the medium term, at the country level the excessive number of documents and reports produced describing the situation of the country should be replaced, after consultation within CEB, by a single document, to be called Common Country Review Report (CCRR), prepared along the lines described in paragraphs 125 and 126. This CCRR should replace in future, to the extent possible, reports made by individual organizations in order to reduce transaction costs and avoid duplication. A strategic review debate should be held at the

country level every five years in order to reach an agreement on the strategy to be applied (see para. 128).

4. At the world level, a report synthesizing the country-level debates, complete with best practices and lessons learned and conclusions drawn, should be prepared by the United Nations every five years. This report, to be called Medium-Term Strategic Review Report, should, as far as possible, establish a typology of comparable economic and social development and poverty situations in the various countries, and propose strategies applicable to each type (see para. 135). The aim would be to set out for the medium-term period a coordinated, coherent, if not common, strategic framework for the United Nations system, the Bretton Woods institutions and other major players that would assist Member States in reaching the Millennium development goals.

5. The Medium-Term Strategy Review Report (MTSRR), together with the comprehensive statistical report promised by the Secretary-General in his road map, should be submitted every five years to a high-level meeting of the Economic and Social Council. The aim would be to build greater consensus and ensure policy coherence in strategies for development and poverty reduction, to give directives to international institutions and to make medium-term pledges regarding external assistance. A coherent and coordinated strategic policy framework, to be established through such a process, would contribute further to the implementation of the Millennium Declaration (see para. 136). The debate should enable a consensus to be reached on how to integrate adjustment with poverty eradication on a sustainable basis.

6. The preparation of such an integrative synthesis report by the United Nations will require a considerable number of skilled personnel. Bearing in mind current resource constraints, consideration should be given to eventually reducing the number or range of economic and social documents at present produced by the United Nations insofar as they deal with the same subject and do not differ in their policy conclusions. In view of the fact that not all of the various descriptive reports on the world economic and social situation are policy-oriented, there is a case for reassessment and eventual streamlining of their production (see para. 133).

7. Parallel to the above initiatives and in order to enable the United Nations to fulfil its mandated mission under Article 1, paragraph 3, of the Charter of the United Nations, a Medium-Term Conflict Prevention Review Report, should be prepared by the United Nations Secretariat every five years on the basis of the MTSRR, describing the relationship between progress made in poverty eradication, development enhancement and conflict prevention. This report should be submitted to the Security Council to be debated in that forum and, if so decided, also submitted to and debated in the General Assembly (see para. 138).

8. As far as the future of the medium-term plan exercise is concerned, two options are open for Member States to decide upon.

Option 1: If the two new instruments that have been recommended for creation, namely, the CCRR and the MTSRR, described in

recommendations 3 and 4, satisfy the requirements of Member States for medium-term strategic orientation, they could decide not to establish a successor plan to the existing 2002-2005 medium-term plan.

Option 2: The next medium-term plan, if maintained, would have to take the two new instruments recommended into account. Their policy conclusions for United Nations programmes and activities would have to be translated into the next medium-term plan. Emphasis ought to be given to fully integrating the Millennium Declaration goals and the road map suggestions into the existing and future medium-term plans of the Organization, so that Member States can assess the relevance and coherence of the strategy of the United Nations to assist Member States in reaching the Millennium Declaration goals.

10. As noted in paragraph 2 above, given the breadth and vast scope of the report, the following comments touch upon only some of its elements and its recommendations.

11. The basic objective of working towards enhanced coordination, streamlining and consolidation of reporting at the country level is generally shared by CEB members, and efforts in this direction are already under way. They welcome the recognition accorded in the report to the importance of linking global objectives to be met by Governments with the objectives to be met by the United Nations. They are, however, doubtful that the type of consolidated document proposed by the Inspector is the most efficient approach for achieving this objective and whether such a document could reflect effectively the totality of the work of the system at the country level and could replace existing reports both as programming instruments and as reporting modalities for individual legislative bodies. CEB members note that while the idea of a single document is appealing, its feasibility presupposes the existence of strong coordination arrangements at the national level, which are not yet available. Even more modest previous efforts in this direction, such as the sector-wide approach, proved difficult because of these factors.

12. They further note that while the proposed CCRR and MTSRR, on the face of it, both seek to enhance coherence in strategic planning for the United Nations system organizations and to simplify the way things are currently done, in reality they could well yield the opposite results. It is envisaged in the report that a single document at the country level — i.e., the CCRR — will form the basis of a strategic review conducted at the country level every five years to arrive at an agreement on the strategy to be followed. The CCRR is then supposed to fit into the MTSRR, which is expected, ostensibly, to synthesize country-level debates, draw conclusions and lead to debate at a high-level meeting of the Economic and Social Council every five years. That debate is expected to build greater consensus and ensure coherence in the policy framework. CEB members believe that the suggested reporting and review processes would be unlikely to eliminate the need for existing reporting and assessment arrangements, which are essential instruments for programming, periodic review and assessment, policy adjustment and course correction. In the end, therefore, while attractive on the face of it, the new proposals not only appear impractical in terms of the level of coordination they would require the wide array of actors that would necessarily be involved and the long reporting cycle, but would also be likely to lead not to a simplification of processes but to an additional layer, thus compounding the burden for recipient countries and other actors.

13. CEB members also note that the report does not take into sufficient consideration current efforts for using the Poverty Reduction Strategy Papers (PRSP) framework as a key instrument for mobilizing and coordinating the support of international partners and accelerating progress towards meeting the Millennium development goals. The PRSP framework, tailored to the needs of each country on a platform of ownership and partnership, continues to evolve with a view to providing more comprehensive analysis of all economic, social, financial and structural aspects relevant to poverty reduction and better integrating long-term growth strategies with poverty reduction and the Millennium development goals. Initiating consideration of an entirely new process at this stage would risk setting back the considerable progress already being achieved in the area of system-wide coordination for poverty reduction in developing countries.

14. CEB members also note that some of the main objectives being put forward by the Inspector to justify the new system advocated in the report — e.g., ensuring that the United Nations system is adequately involved in country-owned assessments and that its advice is solicited regarding the viability and sustainability of policy prescriptions — are already effectively guiding the various coordination mechanisms being put in place by the system in the framework of the implementation of the Millennium development goals. These mechanisms are constantly being improved and their impact is kept under continuing review.

15. Regarding the proposal of instituting periodic strategic debates on such issues as conflict resolution and poverty eradication at the country and global levels, while the basic intent of the proposal is fully shared, the report lacks sufficient analysis of current practices in this regard and does not clearly set out a path for such debates that differs from current practice. Nor does it take duly into account the different approaches that need to be followed in advancing the wide range of goals in the political, economic and social areas advocated in the Millennium Declaration.

16. As regards the recommendations in the report on conflict prevention, CEB members note that the issue is under active discussion at the level of the executive heads of the United Nations system. There is a strong consensus at the inter-agency level that the central component of the United Nations system's strategy for conflict prevention should be the promotion of development and the eradication of poverty, that the conflict prevention and development agendas should be mutually reinforcing, and that the transition from a culture of reaction to a culture of prevention should be sensitive to the drain in resources brought about by conflict, resources that could otherwise be devoted to development.

17. The observation has also been made that the analysis in the present report would have benefited from a more adequate reflection of the core strategy adopted by the system in June 2002 for achieving the Millennium development goals, as well as various features of the Millennium Project, which provide a comprehensive framework at the global and the country levels for the collective efforts of countries and the development community towards the achievement of the Millennium development goals.

18. CEB members conclude that part two of the report, while conceptually engaging, does not root its recommendations in sufficient analysis of the operational and practical realities at the country level facing all parties concerned (organizations of the United Nations system, donor Governments, national Governments and other actors), and of all relevant organizational, political, legal, financial and

administrative issues that would need to be addressed in moving towards the new system advocated by the Inspector.

19. CEB members wish to emphasize that the many questions they have in regard to the feasibility and practicability of the recommendations made in the report, particularly in its part two, do not diminish in any way the value of the conceptual contribution made by the report or the many insights it offers. The report will no doubt influence future thinking within the system on the wide range of concerns and issues it covers.